Four Corners Air Quality Task Force Power Plant Work Group Conference Call June 14, 2006 4:00 pm – 5:00 pm

Participants

Mark Jones, NMED; Susan Johnson, NPS; Mike Farley, PNM; Richard Grimes, APS; Mark McMillan, CDPHE; David Ruger, Honeywell; Maureen Gannon, PNM; Carla Sontag, NMUSA; Marilyn Brown, LWV, LaPlata County; Brinda Ramanathan, Serifina Technical Consulting

Power Plant Data Table Review

Version 6 is the most recent as of this date, and is posted to the website. This version includes greenhouse gas information for Desert Rock. The Mustang facility isn't within the defined scope of the "study area" of the Task Force, but it will remain in the table for information purposes. There are two gas plants that will be added to the table: Milagro and Animas/Bloomfield. There was a question regarding mercury emissions from Four Corners Power Plant. Richard Grimes said he hadn't yet provided that data, but the estimates are 550-600 lbs/yr. These emissions aren't monitored, but are estimated based on the mercury content in the coal and mercury emissions from other facilities with similar pollution control equipment. There was a request for actual emission reductions from the planned facility upgrades and a timeframe when the reductions would occur. This information will be added to the table.

Mitigation Option Discussion

Mark reviewed the current list of potential mitigation options. Some options need clarification:

- Lowering emissions by advanced software applications needs to be described.
- The intent of the mercury option was to illustrate different ways the states are dealing with this issue. Information on what New Mexico is doing should be included.
- The renewable energy portfolio should include information on New Mexico's program.
- The intent of the Climate Change Advisory Group option was to ensure we aren't duplicating their efforts, and potentially our workgroup may want to put forth what that advisory group develops.
- The CAIR option would cap actual NOx emissions, not just provide for specific emission rates.

Other options Mark received that will be added to the list:

- Emission reduction fund: New and existing sources pay x\$ per ton/yr of a given pollutant; funds can then be available to offset capital costs for emission controls for that pollutant (application-grant basis)
- Declining cap and trade program for NOx. New sources to obtain offsets. Could be EGUs only, or combined with oil and gas.
- Under BART, presumptive BART for SO2 at Four Corners Power Plant; include emission limit rather than only removal efficiency. SCR/NSCR on units 4&5 at Four Corners Power Plant. Presumptive BART for NOx at San Juan Generating Station.

Options can include recommendations for additional data or studies. Health effects has already been mentioned as the subject of potential study. **Anyone with additional options can send them to Mark.** We are not yet to the point of selecting options to draft, rather generating a brainstorming list. The options will be more thoroughly described in time for the Cortez meeting, at which time we will form drafting teams for the options people are interested in pursuing. We might still consider doing options regarding proposed power plants first, as that might be timely with the current procession of Desert Rock. Mark will categorize and organize for future calls/meetings. The Oil and Gas Workgroup first round of mitigation options should be ready for review soon. Anyone is welcome to comment on those options. Mark will review to see if any of their options identify power plants as a "cross-over" issue, in which case the group should review.

Mitigation Option Development Outline

Mark reviewed the seven sections of the format that will be used for drafting mitigation options. Note that options can be "tagged" for assistance from the cumulative effects and monitoring groups. Also, it should be identified in the options where there may be cross-over issues with other work groups.

Work Group Logistics

There are many new links on the workgroup's web page. A map of all the power plants in the area will be added; as will a link to a new report on state renewable energy portfolios. Information on IGCC, particularly demonstration plants (e.g. Indiana) should be added. **Any additions for the web page should go to Mark.**

The next call is July 12, 4-5 pm: continue discuss mitigation options for existing power plants. Let Mark know if there are any other agenda items of interest.

The next meeting is in Cortez, August 9 from 3:00 pm to 7:00 pm. Anyone willing to take notes there, please let Mark know. Give any ideas for workgroup presentations to Mark. One possibility might be a presentation on Desert Rock.